

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0995-01
Bill No.: HB 260
Subject: Boards, Commissions, Committees, Councils; Health Care Professionals;
Licenses - Professional; Nursing and Boarding Homes
Type: Original
Date: February 4, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	\$0	(\$8,750)	(\$8,750)
Total Estimated Net Effect on General Revenue Fund	\$0	(\$8,750)	(\$8,750)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services**, the **State Public Defender**, the **Office of Prosecution Services**, the **Department of Revenue** and the **State Courts Administrator** assume this proposal would not fiscally impact their agency.

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal could be absorbed with existing resources.

Officials from the **Office of Administration - Administrative Hearing Commission (AHC)** assume that this legislation would not significantly alter its caseload. However, if other similar proposals also pass, there would be fiscal impact.

Officials from the **Secretary of State Office (SOS)** state that this proposal deals with the licensing, examination and hearings of nursing home administrators. The Department of Social Services could promulgate rules to enact this legislation. Based on experience with other divisions, the rules, regulations, and forms issued by the department of social services could require as many as 4 pages in the *Code of State Regulations* and half again as many pages in the *Missouri Register* because cost statements, fiscal notes and the like are not repeated in Code.

ASSUMPTION (continued)

These costs are estimated. The estimated cost of a page in the Register is \$23 and the estimated cost of a page in the Code is \$27. The actual cost could be more or less than the numbers given. The impact of the legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn. The SOS estimates total cost for FY 04 to be \$246 [(4 pages x \$27) + (6 pages x \$23)].

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Health and Senior Services (DOH)** assume this proposal would not significantly impact the operations of the DOH. If the proposal were to substantially impact the DOH programs, the DOH would request funding through the legislative process.

Based on information DOS provided in response to similar legislation from previous years, DOS estimated 350 licensees would elect the inactive status to avoid continuing education and license costs. Renewal fees for the license are \$50 per year and the inactive license is \$25 per year. Therefore, **Oversight** assumes there would be a loss of license renewal fees in FY 05 and FY 06 of approximately \$8,750 (350 x \$25).

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
---	---------------------	---------	---------

GENERAL REVENUE

Loss - Department of Health and Senior
Services

License renewal fees	<u>\$0</u>	<u>(\$8,750)</u>	<u>(\$8,750)</u>
----------------------	------------	------------------	------------------

**ESTIMATED NET EFFECT ON
GENERAL REVENUE**

	<u>\$0</u>	<u>(\$8,750)</u>	<u>(\$8,750)</u>
--	------------	------------------	------------------

FISCAL IMPACT - Local Government

FY 2004
(10 Mo.)

FY 2005

FY 2006

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal revises provisions pertaining to the Nursing Home Administrators Law. In its main provisions, the proposal:

- (1) Revises the procedure concerning the successful completion of examinations by nursing home administrators. If the applicant fails the examinations, the applicant can reapply to the Board of Nursing Home Administrators for retesting;
- (2) Requires an applicant who fails either of the examinations a third time to successfully complete a board-prescribed course of instruction in order to be licensed;
- (3) Prohibits a nationally certified examination score for licensure from another state from being recognized by the board for an applicant who fails the examination for a third time;
- (4) Authorizes the board to renew a temporary emergency license to an applicant if examination results have not been received by the board. Current law does not require the examination to be administered to an applicant applying for the renewal;
- (5) Authorizes the board, at its discretion, to issue a license subject to probation for violating causes contained in Section 344.050.2, RSMo. The contents of the order and the procedures to request a review of the order by the Administrative Hearing Commission are stated;
- (6) Specifies additional violations of Chapter 198;
- (7) Authorizes the board to censure or place the person named in a complaint on probation as deemed appropriate if the finding by the commission substantiates the violation;
- (8) Authorizes the board to hold a disciplinary hearing to singly, or in combination, censure or place the person named in the complaint on probation or to suspend or revoke a certificate

Description (continued)

of registration, permit, or license required by Chapter 344. Reinstatement of the certificate, permit, or license can occur;

(9) Permits automatic denial of a certificate, permit, or license to a person who has had a certificate of registration permit or license denied or revoked in another state which pertains to the practice of nursing home administration;

(10) Contains provisions which encourage the settlement of disputes between the board and its licensees, including procedures for a review by the Administrative Hearing Commission, prior to a settlement becoming final;

(11) Requires that the physician, two licensed health care professionals, and the health care educator be citizens of the United States and taxpaying residents of Missouri for one year preceding their appointment to the board. The four appointees to the board are required to be citizens of the United States and either residents of Missouri one year prior to their appointment or persons who have been licensed by the board and have been employed in Missouri for a five-year period;


(12) Contains procedures which allow any nursing home administrator who possesses a current license to practice in Missouri to place their license on inactive status; and

(13) Contains provisions pertaining to the expiration of an inactive license, the length of time of an inactive license, and the reactivation of an inactive license. Nursing home administrators are prohibited from acting in that capacity while their license is inactive.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Health and Senior Services
Department of Social Services
Office of Administration-
 Administrative Hearing Commission
Office of Secretary of State
Office of State Courts Administrator
Office of Prosecution Services
Office of State Public Defender
Office of Attorney General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 4, 2003